

Application Process

Potential borrowers may apply through their own business bank. Upon completion of the underwriting process, the bank can contact the Janesville Economic Development Agency, 608-755-3181 to consider possible TIF loan participation. TIF participation will be project specific with such considerations as the creation/retention of jobs, wages, uses of the funds, and increased potential for new tax base.

Each bank will have its own financial information requirements however a general summary of what may be needed includes:

For Existing Businesses:

- Three years of business and personal tax returns
- Project budget, sources and uses
- Interim business and personal financial statements
- Two years of financial projections

For a Start-up Business:

- Three years of personal tax returns
- Personal financial statement
- Project Description
- Budget, sources and uses
- Full business plan including financial projections

Contact Information

For Further Information or to Apply Contact:

Phil Whitehead

Johnson Bank

608-743-1547

pwhitehead@johnsonbank.com

Scott Bordwell

M&I Bank

608-755-4228

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Gale Price

City of Janesville

Economic Development Department

608-755-3059

priceg@ci.janesville.wi.us

Janesville Gap Funding

TIF Loan Program



www.growjanesville.com

Overview

This program is designed to provide loan funding to help companies have increased access to capital for expansion purposes. The purpose is to assist in the financing of job-creating expansion projects which cannot be adequately financed using only private sector and equity funding. Without the TIF loan filling the remaining financing gap, the project would not go forward.



Program Description

Gap loans are to be made to for-profit businesses located in specified TIF areas within the City of Janesville.

Loans may be made for business start-up, expansion or for business recruitment. Businesses will need to commit to retention or expansion of jobs to receive funding.

Desirable businesses:

1. Manufacturing/Assembly
2. Warehouse Distribution
3. Professional services including computers, phones and other technology-related product or service-oriented companies

Eligible uses of funds:

1. Purchase, expansion or remodeling of commercial real estate
2. Purchase of machinery and equipment
3. Working Capital

Ineligible uses of funds:

1. Loans where primary repayment source is future equity or potential refinancing of debt
2. Loans without a secondary source of repayment
3. Loans for political purposes
4. Loans for speculative purposes
5. Loans secured by restricted stock in closely-held corporations

All TIF loans will be secured via subordinated lien interest.

All loans require personal guarantees of the owners which have 20% or greater equity in the business. All TIF loans to be term loans. No revolving credit lines.

All TIF loans require a minimum of annual payments. The subordinated "TIF" portions of the loans will match the lender's market rate terms and interest but at no time will the term exceed 10 years.

Subordinated loans to be priced at fixed market rates to be determined at the time of the loan request.

Typical size of TIF "gap" loan - \$20,000 to \$50,000 based on the expansion project.

